

BLANCHARD WALKER

A TRADITION OF EXCELLENCE SINCE 1917

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November 3, 2004

WM. TIMOTHY ALLEN, III
Direct: 318.934.0217
Email: tallen@bwor.com

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION
Gray Sand, Reservoir F
Cotton Valley Field
Webster Parish, Louisiana
Our File No. 250219.0003

Dear Sir:

On behalf of ENSIGHT ENERGY MANAGEMENT, LLC, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Gray Sand, Reservoir F, in the Cotton Valley Field, Webster Parish, Louisiana:

1. To establish rules and regulations and create six (6) drilling and production units (to be designated as GRAY RF SUA through GRAY RF SUF) for the Gray Sand, Reservoir F, in the Cotton Valley Field, Webster Parish, Louisiana, as shown on the plat attached hereto.
2. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said units, with allocation of production from each unit well to the tracts within the unit therefor to be on the basis of surface acreage.
3. To provide that any future wells drilled to the Gray Sand, Reservoir F, within or outside of the units created herein should be located no closer than 1000 feet to any unit line and no closer than 2000 feet to any other well drilling to, completed in or permitted for the Gray Sand, Reservoir F.
4. To consider such other matters as may be pertinent.

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The Gray Sand, Reservoir F, in the Cotton Valley Field, Webster Parish, Louisiana, is hereby defined as the stratigraphic equivalent of that gas and condensate bearing interval between the depths of 10,550 feet and 11,000 feet (electric log measurements) in the Marathon Oil Company - Blackwood No. 1 Well, located in Section 36, Township 22 North, Range 10 West, Webster Parish, Louisiana.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of EnSight Energy Management, LLC, 333 Texas Street, Suite 1175, Shreveport, Louisiana 71101-3676. Any person wishing to inspect such data should call Chris Franks at (318) 429-2204 during normal business hours or write Mr. Franks at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.


By Pre-Application Notice dated October 12, 2004, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a conference, and accordingly, no conference will be held.

A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. Clarence Chandler, Monroe District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III

Attorneys for EnSight Energy Management, L.L.C.

WTAIII:bp
Enclosures

cc: Mr. Clarence Chandler
Office of Conservation, Monroe District Manager, La. (w/enclosures)
cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)

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P.S. To all Interested Owners, Represented Parties and Interested Parties:

YOU MAY HAVE RECEIVED THIS APPLICATION EVEN THOUGH YOUR PROPERTY IS NOT INCLUDED IN THE PROPOSED UNIT, BECAUSE THE REVISED RULES OF PROCEDURE REQUIRE US TO ATTEMPT TO ALSO NOTIFY EVERYONE OWNING AN INTEREST IN THE AREA "PROXIMATE TO" THE PROPOSED UNIT.

YOUR RECEIPT OF THIS APPLICATION DOES NOT REQUIRE YOU TO TAKE ANY ACTION. IT IS MEANT TO NOTIFY YOU OF THESE PROCEEDINGS SO THAT YOU HAVE THE OPPORTUNITY TO PARTICIPATE IF YOU SO DESIRE.

